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March 18, 2004 LB 379, 1089

SENATOR BEUTLER: (Microphone malfunction) Senator Schimek, I'd waive.

SENATOR SCHIMEK: Senator Beutler waives closing. Senator Kruse. Senator Kruse is in line to speak.

SENATOR KRUSE: Madam Chair and colleagues, I'm here, let's do it. Let's solve this thing real quick. I'm responding to the \$1.10 types of comments that have been made around the floor. A lot of heartburn within the Appropriations Committee on that, and I certainly do not like it. But it's the reality if we don't do something else. Senator Hartnett and I have a solution to offer you. Now being very, very modest men, we are hesitant to put it forward very quickly and we'll be looking for ways to think about this. But I would want you to put it into the mix of what you're thinking about quite seriously at this point. Senator Hartnett has a bill on General File, LB 379...on Select File, excuse me, which he is preparing to amend so that it would roll back the income tax level to the '97 level for two years, a temporary adjustment for two years. I strongly support that as the way to take back the \$1.10. If we really don't want to do the \$1.10, we need to take a serious look at Senator Hartnett's bill. It doesn't produce a lot of money in a given year, but in two years it would produce about \$70 million. If the forecast projection is off by \$60 million, which is a reasonable guess, we are guessing at this point, and in Appropriations we had to go with the figure, but we can assume that it might be off. Then we've got \$130 million and we can pull back the \$1.10. Without taking any vote on it, the Appropriations Committee members were agreed, in conversation, that next January, if there's any kind of wiggle room, we will take back the \$1.10, or recommend that to the body. So this is a very feasible approach. It moves it to income tax which is the place that could take this more. I think we can get support on the floor. We've already had agreement from the Governor to do an increase. I think it's a reasonable thing and I would hope that we would pay attention to that kind of an option in order to--this has nothing about other things that are out there--in order to deal with the \$1.10. That's the only thing I'm talking about. If we do not come up with something creative or strong like that, we're going to have the \$1.10. We can grouse around about it